GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2452
ANSWERED ON:30.08.2007
COMMERCIAL PRODUCTION OF OIL IN BARMER SANCHOR BASIN .
Bangaru Smt. Susheela Laxman;Chauhan Shri Nihal Chand

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the time by when commercial production of oil and natural gas from Barmer-Sanchor basin is expected;

(b) whether the Government of India will get "Profit Petroleum" from these fields;

(c) if so, the details thereof;

(d) whether State Government will also be given a share out of this profit;

(e) if so, the percentage thereof; and

(f) if not, the reasons therefore?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a): The production from the Block RJ-ON-90/1 in the Barmer-Sanchore basin is likely to commence in 2008-2009.

(b) & (c): Government will get its share of Profit Petroleum in terms of the provisions of the relevant Production Sharing Contract. Profit Petroleum would depend on the development cost and value of the production, which will accrue from these fields. There will be no sharing of Profit Petroleum with the State Government concerned from pre-NELP blocks.

(d) to (f): The Central Government has accepted the recommendations of Twelfth Finance Commission to share Profit Petroleum (PP) and Production Level Payment (PLP) arising out of contracts under the New Exploration Licensing Policy (NELP) and Coal Bed Methane (CBM) policy with the concerned States in the ratio of 50:50. However, this profit sharing will not be applicable for RJ-ON-90/1 as it is a pre-NELP and Joint Ventures Block.